

**Hotel Dynamics Services UK Limited**  
**Financial Statements**  
**31 December 2016**

SATURDAY



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COMPANIES HOUSE

# **Hotel Dynamics Services UK Limited**

## **Financial Statements**

**Year ended 31 December 2016**

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# **Hotel Dynamics Services UK Limited**

## **Officers and Professional Advisers**

<b>Director</b>	Mr A Liggins
<b>Registered office</b>	The Triangle 5-17 Hammersmith Grove London England W6 0LG
<b>Auditor</b>	Deloitte LLP Statutory auditor 1 Woodborough Road Nottingham NG1 3FG

# **Hotel Dynamics Services UK Limited**

## **Director's Report**

### **Year ended 31 December 2016**

The director presents his report and the financial statements of the company for the year ended 31 December 2016.

#### **Director**

The director who served the company during the year and subsequently was as follows:

Mr A Liggins

#### **Principal activities and future developments**

The principal activity of the company was the provision of specialised hotel marketing services. The company ceased to trade during 2011. The company has not traded during the year. The director's intention is to wind the company up.

#### **Going Concern**

During 2011, the directors made the decision to terminate all of the contracts and to cease trading. It is the intention of the directors to wind the company up. It is for these reasons that the financial statements have been prepared on a basis other than going concern. There have been no material adjustments as a result of adopting this approach.

In addition, the directors note that there are positive net assets. The Board has also received confirmation from Wyndham Exchange and Rentals, Inc that they intend to provide funding to any of their group undertakings should they not be in a position to meet their intercompany obligations to Hotel Dynamics Services UK Limited.

#### **Director's responsibilities statement**

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# Hotel Dynamics Services UK Limited

## Director's Report *(continued)*

**Year ended 31 December 2016**

### **Director's responsibilities statement *(continued)***

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

### **Small company provisions**

This director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and accordingly no Strategic Report has been prepared.

This report was approved by the board of directors on 29 September 2017 and signed on behalf of the board by:



Mr A Liggins  
Director

# **Hotel Dynamics Services UK Limited**

## **Independent Auditor's Report to the Members of Hotel Dynamics Services UK Limited**

**Year ended 31 December 2016**

We have audited the financial statements of Hotel Dynamics Services UK Limited for the year ended 31 December 2016 which comprise the statement of income and retained earnings, the balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of director and auditor**

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter - Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

# **Hotel Dynamics Services UK Limited**

## **Independent Auditor's Report to the Members of Hotel Dynamics Services UK Limited (continued)**

**Year ended 31 December 2016**

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Director's Report.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the director's report or from the requirement to prepare a strategic report.

*Alistair Pritchard FCA*

Alistair Pritchard FCA (Senior Statutory Auditor)

For and on behalf of  
Deloitte LLP  
Statutory auditor  
1 Woodborough Road  
Nottingham  
NG1 3FG

29 September 2017

**Hotel Dynamics Services UK Limited**  
**Statement of Income and Retained Earnings**  
**Year ended 31 December 2016**

	Note	2016 £	2015 £
Other operating expense	3	(226,917)	(24,800)
<b>Operating loss</b>		<b>(226,917)</b>	<b>(24,800)</b>
Other interest receivable and similar income		421	531
<b>Loss before taxation</b>		<b>(226,496)</b>	<b>(24,269)</b>
Tax on loss	5	—	—
<b>Loss for the financial year and total comprehensive income</b>		<b>(226,496)</b>	<b>(24,269)</b>
<b>Retained earnings at the start of the year</b>		<b>335,504</b>	<b>359,773</b>
<b>Retained earnings at the end of the year</b>		<b>109,008</b>	<b>335,504</b>

All amounts in the current and prior year relate to discontinued activities.

The notes on pages 8 to 12 form part of these financial statements.

# Hotel Dynamics Services UK Limited

## Balance Sheet

31 December 2016

	Note	2016 £	2015 £
<b>Current assets</b>			
Debtors	6	346,175	537,264
<b>Creditors: amounts falling due within one year</b>	7	<u>(238,149)</u>	<u>(202,742)</u>
<b>Net current assets</b>		<b>108,026</b>	<b>334,522</b>
<b>Total assets less current liabilities</b>		<b>108,026</b>	<b>334,522</b>
<b>Net assets</b>		<b>108,026</b>	<b>334,522</b>
<b>Capital and reserves</b>			
Called up share capital	9	2	2
Foreign currency translation reserve	10	(984)	(984)
Profit and loss account	10	<u>109,008</u>	<u>335,504</u>
<b>Shareholder funds</b>		<b>108,026</b>	<b>334,522</b>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 29 September 2017, and are signed on behalf of the board by:



Mr A Liggins  
Director

Company registration number: 4406770

The notes on pages 8 to 12 form part of these financial statements.

# **Hotel Dynamics Services UK Limited**

## **Notes to the Financial Statements**

**Year ended 31 December 2016**

### **1. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **2. Accounting policies**

#### **General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Triangle, 5-17 Hammersmith Grove, London, W6 0LG, England.

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

During 2011, the directors made the decision to terminate all of the contracts and to cease trading. It is the intention of the directors to wind the company up. It is for these reasons that the financial statements have been prepared on a basis other than going concern. There have been no material adjustments as a result of adopting this approach.

In addition, the directors note that there are positive net assets. The Board has also received confirmation from Wyndham Exchange and Rentals, Inc that they intend to provide funding to any of their group undertakings should they not be in a position to meet their intercompany obligations to Hotel Dynamics Services UK Limited.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Wyndham Worldwide Corporation which is incorporated in the USA. Copies of its group financial statements, which include the company, are available from 22 Sylvan Way, Parsippany, New Jersey, USA. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

#### **Related Party Transactions**

In accordance with FRS102 section 33 "Related Party Disclosures", transactions with other wholly owned group undertakings have not been disclosed in these financial statements.

#### **Income tax**

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

# Hotel Dynamics Services UK Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 2. Accounting policies *(continued)*

#### Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 3. Other operating expense

	2016	2015
	£	£
Foreign exchange differences	<u>(226,917)</u>	<u>(24,800)</u>

### 4. Staff costs

The average number of persons employed by the company during the year, excluding the director, amounted to Nil (2015: Nil).

The directors do not receive any remuneration in respect of their directorship of this company.

# Hotel Dynamics Services UK Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 5. Tax on loss

The tax charge in the year amounted to £nil (FY15: £nil).

#### Reconciliation of tax income

The tax assessed on the loss for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.25%).

	2016 £	2015 £
Loss before taxation	<u>(226,496)</u>	<u>(24,269)</u>
Loss by rate of tax	<u>(45,299)</u>	<u>(4,914)</u>
Utilisation of tax losses	—	—
Transfer pricing adjustment	478	879
Changes in tax rate	—	448
Short term timing differences	—	3,587
Group relief surrendered for nil consideration	<u>44,821</u>	<u>—</u>
Tax on loss	<u>—</u>	<u>—</u>

### 6. Debtors

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>346,175</u>	<u>537,264</u>

### 7. Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>218,136</u>	<u>182,729</u>
Other creditors	<u>20,013</u>	<u>20,013</u>
	<u>238,149</u>	<u>202,742</u>

# Hotel Dynamics Services UK Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2016

#### 8. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgements in applying the company's accounting policies

The directors have made no critical judgements in the process of applying the company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

#### 9. Called up share capital

##### Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

#### 10. Reserves

Foreign currency translation reserve - comprises translation differences arising from the translation of the overseas branch accounts into Sterling.

Profit and loss account - This reserve records retained earnings and accumulated losses.

#### 11. Directors emoluments

The directors did not receive any remuneration in respect of their directorship of this company (2015: £nil). There were no employees of the company (2015: nil).

#### 12. Audit fees

Audit fees for the audit of the company's annual financial statements of £4,000 (2015: £4,000) were borne by RCI Europe.

# **Hotel Dynamics Services UK Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2016**

### **13. Controlling party**

The company's immediate parent undertaking is Hotel Dynamics International Limited incorporated in Hong Kong.

In the directors' opinion, the company's ultimate parent undertaking and controlling party is Wyndham Worldwide Corporation which is incorporated in the USA. Copies of its group financial statements, which include the company, are available from 22 Sylvan Way, Parsippany, New Jersey, USA.

The smallest such group of undertakings, including the Company, is that headed by Hotel Dynamics International Limited which is registered in Hong Kong. Copies of its financial statements are available from Paul, Hastings, Janofsky & Walker, 22/F Bank of China Tower, 1 Garden Road, Hong Kong.